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TRADE LETTER.—No. IV.

COMMERCIAL RELATIONS

BETWEEN

BRAZIL AND CANADA ;

WITH

SUPPLEMENTARY INFORMATION

RELATING TO

TRADE WITH THE WEST INDIES.

By WM. J. PATTERSON,

SECRETARY BOARD OF TRADE AND CORN EXCHANGE ASSOCIATION,
MONTREAL.

Montreal :

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COMMERCIAL RELATIONS

BETWEEN

BRAZIL AND CANADA.

F. W. HENSHAW, Esq., *President*,

AND THE

COUNCIL OF THE MONTREAL BOARD OF TRADE:—

GENTLEMEN,

With regard to your request, at the instance of the Dominion Government, for the re-publication of the information relating to Brazil, contained in the Annual Report of Trade and Commerce for 1878-'79,—I beg very respectfully to state that, in the following pages a number of items have been introduced, which can hardly fail to be of service to such as desire to participate in the opening up of direct trade between the EMPIRE OF BRAZIL and the DOMINION OF CANADA. It has been considered best to make the re-issue in form of a TRADE LETTER, similar to those published about four years ago, and which treated of Trade Relations with Australia,—the West Indies and South America,—and Newfoundland.

There are a number of statements scattered through the present letter, respecting Flour, Butter, Pork, Fish, Coal, Lumber, Kerosene, and other products of Canada, consumed in great quantities in Brazil, to which the attention of Producers, Manufacturers, and Merchants is specially requested.

GENERAL REMARKS.

PROPOSED STEAMSHIP COMMUNICATION.

It would appear as if the question of a largely increased trade between the Empire of Brazil and this Dominion were likely to be soon and satisfactorily answered. Parliament has, by a liberal vote of \$50,000, enabled the Government to subsidize a line of steamships for mail and freight service, between ports in Canada and Brazil, the Government of the latter contributing a similar amount. The Line, it is understood, will commence operations almost immediately; the Canadian terminal port in Summer and Fall being MONTREAL, and Halifax, N.S., in Winter,—perhaps alternating with St. John, N.B.,—because, when projected railway connections are completed, the latter port will lead to a saving in distance of about 400 miles. The Company with which the arrangement has been made, is understood to be able to control ample means.

St. Thomas is the West India port at which the steamers are to call, going and returning. That point has been chosen on account of the facilities afforded for connection with other Islands, and particularly with trans-Atlantic steamers touching there *en route* for Aspinwall. In the event of M. de Lesseps' project for a ship-canal across the Isthmus of Panama being successful, it will be quite possible to form combinations that would lead to favorable through-freight arrangements for heavy merchandise between ports on the River St. Lawrence and ports in British Columbia. The Directors of the new Company have had their attention drawn to this matter. It will of course be evident that, if such a steamship connection with British Columbia could be effected via the Isthmus, it would be a comparatively easy matter to make a similar arrangement with steamers on the Pacific to Australia and New Zealand.

Another important "port of call" for the steamships, both ways, will be Pernambuco, with which an extensive connection is possible, as shown on pp. 11—14 inclusive.

The fiscal policy of the Dominion Government, by which the import duties on Sugar and Coffee (the only exports of Brazil

which were disadvantageously taxed) were greatly modified, has removed obstacles to an enlarged direct trade between the two countries. A Consul for Brazil has been duly commissioned to Canada—WM. DARLEY BENTLEY, Esq.,—whose head-quarters will be at MONTREAL. He has made an important statement to the effect that, when he conveyed assurances of the willingness of the Cabinet at Ottawa to recommend further concessions on these commodities, if the Government at Rio would reciprocate, the latter has procured the passage of a law authorising requisite reductions in the Brazilian tariff.

It appears, therefore, that, so far as the respective Governments are concerned, all is being done that can be fairly expected of them; and it only remains for the Manufacturers and Merchants of Canada to embrace the opportunities now presented. In a TRADE LETTER published at the close of 1876, the particulars and importance of the possible trade between Canada and Brazil were, with considerable fullness, submitted. Referring to that pamphlet, it is only needful here to show that a systematic participation in South American trade by Canadian merchants may now be easily attained. It is, however, as much a matter of regret to-day as it was four or five years ago, that there are no means of tracing the quantities of Brazilian produce which come into the Dominion through British and United States ports, nor the actual quantities of Canadian products which find their way into Brazil through the same channels. Altered relations will bring about a change in this respect.

It will be advantageous to trade between Canada and Brazil, to have direct banking relations, instead of the existing round-about way of drawing on London at 60 or 90 days. The new mail and freight service by steamships will make it unnecessary for exchange either way to be drawn at long dates. Some of the larger Banks in Canada, may doubtless find out whether a portion of their capital might not get profitable employment in the enlarged trade that is looked forward to.

EXTENT AND COMMERCE OF THE BRAZILIAN EMPIRE.

Brazil covers an area of 3,134,000 square miles, and has a coastline of 3,000 miles; it appears, therefore, that the Empire is equal to

one-fifteenth of the terrestrial surface of the globe, one fifth of the New World, and more than three-sevenths of the Continent of South America. It has a total population, estimated at more than 12,000,000, in which are included 2,000,000 wild aborigines, and 1,476,567 slaves. By the law of 1871, which assures the gradual extinction of slavery, the children of slave-mothers born after that date within the Empire are free. At the end of 1873 the Empire possessed railways of a total length of 714 English miles; and at the end of June, 1874, an aggregate length of 397 miles was in process of construction. There were, at the close of 1874, 3,375 miles of telegraph-lines, with seventy-four offices. With the view of facilitating and developing commerce, Government threw open the coasting trade to foreign flags, and the waters of its most important rivers, the Paraguay, San Francisco, the Amazon, as far as the frontier, over an extent of 6,140 miles, and their respective affluents, thus setting a good example to other nations.

The soil is fertile; but the chief products are few, consisting of Coffee, Sugar, Cocoa, Tapioca, and Mandioca,—the Empire is, consequently, dependent upon other countries for the necessities and luxuries of life. Canada imports what Brazil produces; and the various necessities, &c., which she must import are produced or manufactured in the Dominion. But notwithstanding this most important consideration, the reader will see, from a table in the West India section (p. 24), how small the Canadian trade both ways has been with South America during the past seven years. The total of it was only \$7,500,736, or a yearly average of a trifle more than one million dollars.

The increasing value of the trade of Brazil is shown by the following figures:—

	1864-'65.	1874-'75.
Imports.....	\$61,522,937	\$84,543,676
Exports....	65,735,350	104,723,504
	<hr/> \$127,258,287	<hr/> \$189,267,174

The increase for 1874-'75 over 1864-'65 is \$63,008,887, or 49·90 per cent. The fiscal year 1874-'75 was perhaps an exceptional one, because returns for the three subsequent years indicate

a falling off,—especially 1877-'78,—as exemplified in the following statement :—

	1875-'76.	1876-'77.	1877-'78.
Imports	\$82,410,489	\$74,367,663	\$71,215,033
Exports,	85,862,598	94,454,360	73,809,240
	\$168,273,087	\$168,822,023	\$145,024,273

The following table shows the quantities and values of the principal articles of merchandize exported from Brazil during the fiscal year 1873-'74 :—

	QUANTITIES.	VALUES.
Rum..... litres.	3,309,270	\$ 257,743
Cotton..... kilos.	54,474,293	12,879,179
Sugar..... "	154,815,149	9,678,413
Cocoa..... "	3,985,120	413,219
Coffee..... "	166,385,484	60,044,031
Horse Hair and Wool..... "	1,403,936	434,874
Hides..... "	21,658,372	6,114,952
Farina..... "	1,124,240	1,034,695
Tobacco..... "	13,905,122	2,927,871
India Rubber..... "	6,736,520	5,794,246
Herva-mate..... "	13,436,308	1,269,692
Rosewood..... "	3,598,325	776,123
Gold and Diamonds..... grs.	954,297	1,090,001

It is important to know that in 1878 Canada imported articles in quantity or value, as per the following statement, from the countries mentioned; and that, while they are all produced in Brazil, Mr. BENTLEY says *not one pound, nor one mil reis worth, was shipped direct from that country.*

	Total quantity Imported.	Proportion from United States.	Proportion from England.	Proportion from other Countries.
Coffee..... lb.	1,969,016	1,587,520	194,862	186,634
Rum..... gal.	145,383	990	19,627	124,776
Sugar..... lb.	110,988,952	45,195,335	53,238,162	12,555,455
Melado..... lb.	16,894	16,894		
Cane Juice, &c..... lb.	4,025,592	4,008,784	13,238	3,570
Molasses..... lb.	53,098,793	13,239,889	343,390	39,515,514
Bark Berries.....	4,063,636	3,395,322	614,263	53,051
Drugs, Nuts.....				
Vegetables for dyeing.....				
Oils, Cocoonut, Palm, Pine in natural state..... gal.	102,776	71,384	31,392	
Cotton..... lb.	7,243,413	7,241,197	2,216	
Mahogany, Rosewood... feet	5,876,000	5,827,000	1,000	48,000
India Rubber..... lb.	458,755	458,752	13	
Cocoa Beans..... lb.	73,996	15,226	5,439	53,331
Diamonds, &c..... dollars	16,827	4,212	7,003	5,612
Wool..... lb.	6,230,084	5,688,422	235,212	306,450
Tobacco..... lb.	8,881,463	8,852,397	29,066	
Hides, Horns, &c..... dollars	1,207,304	1,051,094	135,985	20,225

An examination of the table on page 27 will show that *direct* commercial relations between Canada and Brazil are being re-established. During the calendar year 1875, the quantity of Sugar brought into the Dominion from that country amounted to 13,487,954 lbs.; but after that the trade ceased entirely for the space of three years and a half. In the latter half of 1879, however, importations were resumed, the quantity entered at Customs being 3,353,536 lbs.; and recent advices confirm the belief that future returns will show continuous increases.

A statement of total imports into Brazil for the same year (1878) is not at hand; but a return for 1877 is given below,—showing quantities and values from the United States:—

Agricultural Implements	\$8,450	India Rubber Manufactures.....	\$4,784
Beer, &c., doz. bottles.....	5,990	Iron and Steel Manufactures,	
Beer, &c., Casks, gal.....	9,140	Railway Bars, &c., cwt.....	12,463
Blacking	\$11,189	Castings	\$4,246
Books, Maps, &c.....	\$11,971	Car Wheels	\$10,951
Bread and Biscuits, lbs.....	248,342	Locomotives and parts of	\$350,250
Indian Corn, bus.....	2,410	Machinery	\$175,704
Wheat Flour, brls	482,209	Nails and Spikes.....	\$58,689
All other Breadstuffs	\$13,690	Edge Tools	\$65,952
Brooms and Brushes	4,746	Lamps	\$24,078
Candles, all sorts, lbs.....	20,786	Oils, Mineral.....	\$904,129
Carriages	\$8,001	Paper and Stationery.....	\$21,991
Cars, Railway, &c.....	\$49,315	Perfumery	\$31,520
Clocks and parts of.....	\$16,426	Provisions, Lard, Butter, Cheese,	
Cordage, Rope, Twine, lbs.....	15,182	Bacon, Pork, &c.....	\$577,808
Cottons, colored, yds.....	4,218,430	Sewing Machines	\$21,158
" uncolored yds	1,390,285	Soap	\$8,718
" all others	\$10,811	Spirits of Turpentine, gals.....	72,752
Drugs, Chemicals.....	\$120,463	Lumber, Boards, Deals, &c....	
Glass and Glassware	\$7,599	M. ft.....	15,440
Ice, tons.....	1,850	Furniture.....	\$32,132

Dried Fish, though not mentioned in the foregoing list, is a most important element of Brazilian trade. The aggregate of all kinds imported during the fiscal year 1878-'79 is reported to have been 374,104 drums,—or the enormous quantity of 47,885,312 lbs. Information is given on pp. 11, 12, 13, 14, pointing to Pernambuco as the largest market in the world for *Dried Codfish*. Figures are also quoted, showing the imports of that particular article during the present fiscal year (for about eight months) to have been 241,288 drums.

Flour.—It has been alleged that Flour manufactured from Canada wheat is not suitable for tropical latitudes; but the following extract from the Report of the West India Commissioners seems to

be quite conclusive on that point. Referring to the Empire of Brazil, they said :—

“The greatest care should be taken to send none but the best quality of our products to Brazil. This remark applies specially to wheat flour. The consumers are the wealthy classes and the population of the cities. If, on the one hand, they are fastidious in their tastes, on the other they are always ready to pay high prices for a really superior article.

“It is a pleasing fact that a considerable quantity of Montreal flour has for the last three years been sent to Pernambuco, by way of England, and has given great satisfaction. It is certain that much of the flour shipped southward from New York is made in that city in imitation of Southern Ohio, both as to barrels and as to the flour itself, and is found to answer. It is worthy the attention of the trade, whether it would not be desirable to establish a special brand for flour manufactured for tropical consumption, since, with care and honesty in the shipments of the article, Canada flour would, in time, attain a high character.”

Speaking upon the same point in the “Report of Trade and Commerce of Montreal for 1866,” it was there remarked :—

“An impression prevails that Canadian flour is not suitable for export to tropical countries; it is, nevertheless, true that Montreal flour is not wholly unknown or unappreciated in the West India and Brazil markets, although there is no satisfactory method by which it can be ascertained what proportion of the flour exported to these countries from the United States was really the product of Canada. Suffice it, in the meantime, that Montreal millers can, and gladly would, manufacture special brands for use in the West Indies and South America; and certain millers in Upper Canada have declared their purpose to arrange without delay to produce flour adapted for these markets.”

Further inquiries instituted upon this point only a few days ago, amply confirm the statement relating to the manufacture of brands of Flour suitable for the trade of the West Indies and Brazil. What is most wanted is a fair opportunity to participate in the trade.

Butter, Salted Meats, &c.—With reference to the best method of putting up Butter for the Brazilian market, see page 12.

Preserved Fresh Meats, &c.—The opening up and extension of trade with the Tropics and South America would seem to afford an outlet for the products of establishments here and elsewhere for the preserving and canning of all kinds of meats, soups, &c.

There are several cities and towns on the sea-board, from Para to Rio, where new inlets for Canadian products may now reasonably be looked for; and any intelligent merchant can judge what the prospects are for a *direct* trade between Brazil and Canada, as shown in the foregoing statements. It would, therefore, be simply a waste of time to enter upon a demonstration as to how much money is lost to the producers, manufacturers, and merchants of the

two countries by the intervention of out-of-the-way third parties, whose large profits tend to prevent the yielding of better prices to producers, or which enhance the cost to consumers.

MONEY.

Currency.—Accounts are kept in Brazil in milreis of 1000 reis.

Brazil Value.		Decimal Value.		Sterling Value.	
1 rei	=	0·06 cent	=	0·03d.	
1000 reis	=	1 milreis	=	48c.	= 24d. [2s.]

The currency of Brazil is made up chiefly of paper notes, issued by authority of the Government, but which is said to have become depreciated, and now has merely a nominal value. When first issued, this paper money was equal to specie in value,—taking the Brazilian dollar of the value of the Spanish dollar, or 4s 2d. sterling, at 2000 reis. Before the introduction of paper, the chief medium of payment was the gold “*moeda*,” of 4000 reis, and the silver dollar. The value of paper, however, depends on the market rates of the precious metals. There is an irregular copper coinage in Brazil. Doubloons, Sovereigns, and Mexican dollars are current.

Exchange.—The rate of exchange depends upon the current value of coin at the time of drawing. If the price of the Spanish dollar were 2 milreis, the rate of exchange on London would be about 25 pence per milreis, for 60 days’ sight.

PARA.

While of this Port it may very truly be said that its own import and export trades are not large, its geographical position is a commanding one. Situated at the mouth of the River Amazon, it appears that the Republics of Bolivia, Peru, Equador, Columbia, and Venezuela, communicate with Para by the waters of that great highway and its tributaries; and there can hardly be any question as to the commercial advantages that would arise from making it, sooner or later, a “port of call” for the new line of steamships.

MARANHAO.

This Port is situated between Para and Pernambuco, and has a population of 36,000. Its exports are large and increasing, con-

sisting chiefly of sugar, cotton, and dye-woods. Its imports in 1878 included 12,000 barrels of Flour, chiefly from the United States. It is understood that there is a likelihood of its being made a "port of call," with profit to all parties, on account of the growing trade of the place.

PERNAMBUCO.

The city of Pernambuco is in $8^{\circ} 4'$ south latitude, and 52° west longitude. The population is about 120,000. The harbor is sheltered by a reef from the swell of the ocean. Vessels drawing 18 feet (and at extra tides 19 feet) may come in; but those of greater draft have to anchor outside in the roads, where they discharge and load by means of lighters. To the northward of the reef there is a basin, having 20 feet water at low tide, where ships of over 14 feet draft sometimes lighten.

The Custom-House quay can only accommodate two vessels at a time, so that almost all craft employ lighters for loading and unloading. This lighterage costs about 1500 reis, (or about 70c. to 72c.) per ton. Masters of vessels taking coals for Pernambuco should be careful to stipulate that consignees pay all lighterage charges.

This Port is an important distributing point, the imports showing, as has been stated on competent authority, that it is the largest market in the world for Dried Codfish. The total value of imports into Pernambuco in the fiscal year 1877-'78 amounted to £2,105,040 sterling, as against £1,950,963. in the preceding year. The exports for 1878 were valued at £1,365,102.

The table on page 12 shows the principal items of imports at Pernambuco in 1877-'78, the quantities being given, and the countries from which the supplies were received. The principal quantities will be easily comprehended, if it be remembered that a kilogramme is equal to about $2\frac{1}{4}$ lbs. (or exactly 2.205 lbs.) The quantity of Flour, therefore, would be equal to 170,893 brls.

	Great Britain and her Colonies.	United States.	Other Countries.	TOTAL.
Beer and Spirits..... litres.	158,527	2,481	88,539	249,547
Codfish kilos.	13,635,372	64,068	258,450	13,957,890
Boots and Shoes..... doz. prs	2,655 $\frac{1}{2}$	Nil.	20,155	22,820 $\frac{1}{2}$
Coal tons.	31,817	1,316	278	33,411
Leather kilos.	1,154	Nil.	25,448	26,602
Flour "	2,022,068	8,492,579	4,675,833	15,190,480
Iron and Steel "	1,020,755	37,233	453,039	1,946,097
Glass "	7,521,964	485,188	3,325,661	11,332,813
Butter and Lard "	74,380	231,407	723,797	1,029,584
Cheese "	131,326 $\frac{1}{2}$	480	41,887	173,693 $\frac{1}{2}$
Kerosene & other Oils. "	67,424	2,153,189	6,854	2,227,467
Paper, &c..... "	91,972	70,211	435,002	598,005
Cotton Goods..... "	2,765,416	37,384	92,248	2,895,048
Woollen " "	62,186	9	32,951	95,146
Ready-made Clothes:				
Cotton doz.	1,669	Nil.	12,948	14,617
Woollen kilos.	1,700	Nil.	286	1,986

The trade of the year 1878-'79 was seriously affected by a drought which prevailed throughout the Province: it nevertheless appears that the receipts of Flour (principally from the United States and Austria) amounted to 285,483 barrels and 10,634 bags. Importations of Kerosene amounted to 2,503,451 kilos., nearly all from the United States.

Butter is reported to be in good demand at Pernambuco. The kind that meets the requirements of the trade, is carefully put up in 1-lb or 2-lb. tins, and these are packed in boxes containing about 200 lbs. weight, or in barrels of about 54 to 60 kilos.

Some valuable information relating to the business of the year 1879-'80, besides particulars about prices, freights, exchange, &c., are given in the following extract from a communication, under date, *Pernambuco*, 10th April 1880:—

I.—IMPORTS. *Products of Canada for which an outlet can be found at Pernambuco.*

Codfish, dried, packed in drums of 128 lbs. Portuguese weight. This is probably the largest market in the world for dried codfish, no less than 241,288 drums having arrived since 6th September last to the present date, and which, for the season, will probably reach a total of over 300,000 drums. The value to-day of prime dry merchantable shore codfish may be taken at about 24s. 6d. sterling per drum. The price fluctuates according to the abundance, or otherwise, of the Catch in Newfoundland, from which our chief supplies are drawn. We consider 24s. 6d. per drum a price below the usual average.

Haddock, similarly dried, can be well sold when in lots of 500 to 750 drums at a difference in price of 2s. to 2s. 6d. sterling per drum.

Herrings, Mackerel, Salmon and other salted fish, other than Cod and Haddock, in very limited consumption, the demand being confined chiefly to the foreign residents.

Flour of prime quality, white and perfectly fresh, is always saleable here, but only the best qualities command a ready sale. An entire cargo, say of 2,500 to 3,000 barrels, would not at present find a market here, but this would not be the case with lots of 500 to 800 barrels. The present value is 22\$000 per barrel, less 10 per cent., netting to shippers about 29s. per barrel sterling, for cost and freight, in a remittance on England at 90 days' sight.

Lumber is saleable here in moderate quantities, pitch pine being preferred, as it is less subject to the attacks of the white ant than other qualities,—3-inch planks of 17 to 20 feet in length.

Coal from Pictou is always saleable in cargoes of 300 to 500 tons, the prices depending upon stocks. The value to-day would be 15\$000 per ton or 22s. 4d. sterling, cost and freight. This we consider a very moderate value.

Pitch, Tar and Rosin. A small consumption here for these articles. An occasional small lot of 20 barrels saleable.

Beef and Pork in barrels. Small demand, and no local consumption. We cannot recommend any shipments.

Dry Goods. Blue drills are imported from New York, and also striped drills in limited quantities; but we should require samples to report upon the suitability to this market.

II.—EXPORTS. *Some of the articles shipped from Pernambuco.*

Sugar.—Our principal export is sugar. Our crop begins in September, and we are now at about the close, though we shall have entries, no doubt, up to June, but the later the entries the worse the qualities as a rule. We forward by this steamer a box containing samples of sugar usually shipped to New York and other American ports, and we enclose our circular with to-day's quotation for June. The samples consist of *Low Whites No. 14 D. S., Superior Clayed Muscovadoes, Mixed Clayed Muscovadoes, Good American Muscovadoes and Regular American Muscovadoes.*

At this port are also negotiated sales of sugar from the neighboring outports of Maceio, Rio Grande do Norte and Parahyba. It is too late in the season to forward you reliable samples of these qualities. Our crop may be taken as 100,000 tons for export. The fine whites are exported to the Southern ports and to the River Plate.

Several cargoes have lately been shipped to Montreal, and also to Halifax.

Hides, dry salted, used to go from this to Halifax in years gone by, but, for some time past, the bulk of our exports have gone to New York. Our hides weigh about 24 to 25 lbs. each, and to-day's quotation is equal to 6½d. per lb., free on board ex freight. The present stock is very small.

Wet Salted Hides are nearly all shipped to Havre, weight 42 to 44 lbs. each; present value about 4d. per lb. f.o.b. ex freight.

Freights rule at 20s to 40s. and 5 per cent. per ton for sugar in bags to ports in the United States and Europe. The latest charter was for the channel at 33s. in full.

Exchange rules to-day at 21d. to 21½d. per 1,000 reis on London in drafts at 90 days' sight. Nearly the whole of our exchange transactions for exports to the United States and the Northern ports of Europe are negotiated on London, and only a small portion on Portugal, Paris, and Hamburg.

With regard to the statement about Pernambuco as a market for *Cod-Fish*, the quantities imported during sixteen previous years, will assist in arriving at an estimate of the increasing trade.

Catch of	Quantity landed.	Catch of	Quantity landed.
1864-'65.....	Drums. 111,578	1872-'73.....	Drums. 180,006
1865-'66.....	" 112,425	1873-'74.....	" 168,008
1866-'67.....	" 103,700	1874-'75.....	" 203,718½
1867-'68.....	" 129,019	1875-'76.....	" 148,439
1868-'69.....	" 117,330	1876-'77.....	" 165,348
1869-'70.....	" 158,298	1877-'78.....	" 220,007½
1870-'71.....	" 143,193	1878-'79.....	" 204,925
1871-'72.....	" 174,417	1879-'80 (estimated).....	" 300,000

MACEIO.

This Port is about 120 miles south of Pernambuco,—is the capital of the Province of Alagoas, and has about 20,000 inhabitants. Its *direct* trade is very small, all its supplies coming from Pernambuco in coasting vessels. But its commercial relations will be materially changed, and its trade enlarged, by the regular calls of the steamships.

BAHIA.

Bahia is situated on the Bay of All Saints,—population 150,000; it will be a "port of call" for the Canadian steamships. The main channel is two miles wide,—depth of water, 5 to 10 fathoms,—no charge for pilotage or lights.

The imports for the year 1877-'78 amounted in value to £1,942,336 sterling, and the exports to £1,509,518. The chief articles of export in that year are shown in the following table, in mil reis and kilos,—the former, as before stated, being equal to 2s. sterling, or 48c., and the latter to about 2½ lbs.

	Great Britain.	United States	Other Countries.	Total Mil reis.	Total Kilos.
Sugar.....	3,680,858	315,879	89,904	4,086,641	44,798,311
Cotton.....	9,977	.....	7,086	17,063	34,177
Rum.....	.....	.....	62,403	62,403	343,692
Coffee.....	905,522	222,681	1,968,001	3,096,204	5,971,023
Hides, &c.....	28,107	226,258	408,357	662,722	1,432,864
Tobacco.....	80,183	131	5,723,373	5,803,687	17,272,678
Diamonds.....	95,705	.....	796,518	892,223	.....
Rosewood, &c..	47,069	112,947	178,614	338,630	.....
Sundries.....	1,015,164	335,861	181,455	1,532,480	.....

The imports at Bahia, from 23rd Oct., 1878, to 23rd Oct., 1879, included :—

Flour	56,183 brls	Kerosene	56,235 cases
Lard	10,775 kegs	Lumber	1,788,000 feet.

RIO DE JANEIRO.

Rio is situated in south latitude $22^{\circ} 54'$, and west longitude $43^{\circ} 10'$; it is the capital of the Empire, the largest city in South America, and contains a population of over 500,000. The manufactures and luxuries which enter into consumption here are brought from European countries; while staple commodities have heretofore been extensively imported from the United States. The importation of Flour is a very large item, the local consumption in Rio alone averaging about 1,100 barrels per day. Lumber for building and other purposes comes entirely from abroad, the native wood being hard and difficult to work.

Shipping.—The Custom House has been extended and improved, and two excellent dry-docks excavated out of the solid rock. Good Tow Boats are to be had if required; but there are no dangers in entering the port, there being about 5 to 6 fathoms of water all the way to the anchorage. There are native pilots, and one is generally employed. The rates for towage are high, amounting to 800 milreis for a vessel of 1500 tons, both ways. The annual arrivals are about 3,000 vessels, measuring 1,400,000 tons.

The statistics of trade, are said to be not so well kept here as at Pernambuco and Bahia: details are therefore not so minute. The value of imports, in dollars, for 1877 (later figures being unobtainable) were as follows :—

Cottons	\$9,411,736	Meats	\$4,598,187
Woollens	3,396,711	Vegetable	2,522,527
Linens	1,607,766	Plants	1,056,372
Paper, all sorts ..	962,545	Juices	4,010,892
Iron	1,399,389	Chemicals	1,164,293
Copper	504,186	Earthen and Glass Ware	590,998
Lead	167,588	Machinery	795,962
Woods	749,066	Sundries	2,675,357

The exports for the same year were as follows :—

Rum	\$3,462	Farina	\$56,715
Cotton	28,602	Tobacco	937,794
Sugar	65,904	Rosewood	128,812
Coffee, (lbs.)	44,455,891	Gold	984,529
Hides	\$451,038	Sundries	3,075,767
Diamonds	330,116		

The following particulars in some departments of Rio trade, during the months of July, August, and September last, may be interesting as showing quantities, prices, &c. :—

I.—SHIPMENTS OF COFFEE.

Coffee.—The shipments from Rio during each of three months, ended on 4th August, September, and October, respectively were :—

	Bags—July.	Bags—Aug.	Bags—Sept.
To United States.....	127,818	219,817	260,436
Europe.....	106,255	95,432	97,222
Elsewhere	10,947	5,885	14,531
	<hr/> 245,290	<hr/> 321,134	<hr/> 372,189

Prices by the cargo in these months respectively were :—

	JULY. per 10 kilos.	AUG. per 10 kilos.	SEPT. per 10 kilos.
Prime,.....	6\$250=\$3.00	6\$600=\$3.19	5\$600=\$2.70
Good,.....	5\$600=\$2.76	5\$900=\$2.82	5\$100=\$2.46
Fair to Good.....	5\$450=\$2.61	5\$750=\$2.76	4\$950=\$2.37

During the latter month prices declined spasmodically, inducing large sales.

II.—IMPORTS OF SUNDRY STAPLES.

Flour.—Market quiet during September, receipts amounting to 29,000 barrels, of which 27,000 barrels were from the United States;—stock in first hands on 4th October, 21,500 barrels, all American. The following were current wholesale rates at that date :—

From Trieste, various Austrian brands,—	21\$500 @ 22\$000=\$10.32 @ \$10.56.
U. S., "Dunlop,".....	21\$500=\$10.32.
" brands from St. Louis,.....	20\$000 @ 22\$000=\$9.60 @ \$10.56.
" " " Baltimore,....	20\$000 @ 21\$000=\$9.60 @ \$10.32.
" Haxall	22\$000=\$10.56.

Lard.—Receipts in September were 5,500 kegs,—the quotation being 00\$325, or 18c. per lb.

Kerosene.—Market firm,—arrivals 13,825 cases,—the price being 8\$500=\$4.08 per case.

Codfish.—Among the arrivals in September, were two cargoes from Gaspé, consisting of 4,304 drums,—rates being quoted at 14\$000 @ 17\$000=\$6.72 @ \$8.16 per drum.

Coal.—Arrivals during October were 13,345 tons, and 491 tons of coke, mainly from Cardiff, Glasgow, Greenock, and Newcastle. Quotations were :—

Cardiff,.....	19\$000	= \$9.12 per ton.
Newcastle,.....	19\$000	= \$9.12 " "
Sundries,.....	14\$000 @ 16\$000	= \$6.72 @ \$7.68 per ton.

White Pine.—Sold at 00\$110=6 cents per foot.

Pitch Pine Deals.—Sound cargoes worth 38\$000 @ 40\$000=\$18.06 @ \$19.20 per dozen 3-inch planks, 17 to 20 feet long.

Butter.—Respecting this article, the remark as to kind and size of packages, quality, &c., suitable for the Pernambuco market, (see page 12,) apply with equal emphasis to the requirements of Rio. Importations from France are in most favor at Pernambuco; the taste of the Capital for a good while preferred English Butter, but its reputation has not been sustained, Danish and French brands having to a great extent displaced it. The *best* October Butter of Canada, if very carefully packed, would, it is believed, find a ready and profitable market in Brazil. For consumption of Butter in the British West Indies, see p. 26.

Flour.—The particulars about Flour at the sea-ports of Brazil are well worth examination. In some quarters the misconception still prevails that Canadian wheat does not yield a quality of Flour suitable for the West Indies and South America, (see pp. 8, 9). By using the improved processes and machinery now in such general use in the larger class of Flour mills, Canadian millers can and do manufacture brands that are in use now both in the West Indies and Brazil. The theory that Canadian wheat must be *kiln-dried* to admit of the production of Flour that will “keep” in the Tropics, is all but exploded. Careful packing, and use of thoroughly dried and well-made barrels, are desiderata. Persons well acquainted with the various Austrian and United States brands of Flour which are most in vogue in South America, state that the grades are such as can readily be manufactured from Canadian White Wheat. For consumption of Flour in the British West Indies, see pp. 25, 26.

Kerosene.—This article put up in cylindrical tins, for the South American market,—each tin containing about 33 kilos, or say 70 to 75 lbs. A certain number of these cylinders are carefully put up in strong packing-cases. The quantity imported at Pernambuco during the fiscal year 1878-'79 was over 2,500,000 kilos.

Potatoes.—The importation of Potatoes into Brazil is a large item, and deserves attention. The supply comes principally from Lisbon and Havre; the quantities received at Pernambuco from these ports in the fiscal year 1878 were 208,966 kilos, and 246,459 kilos, respectively, while 83,498 kilos came from England. A new market for potatoes from the Maritime Provinces may be found in South America. The following statement was made in the TRADE

LETTER published in 1876, relative to commercial relations with South America and the West Indies :—

"With regard to Potatoes it will be noticed that the United States official values at the ports of shipment, during 1874, averaged nearly one dollar [say, a fraction more than 98½c.] per bushel,—the aggregate quantity exported being 413,483 bushels, and the value \$407,610. In the latter part of 1876 the average price for shipping lots of Potatoes [Early Rose] in St. John, N.B., was 40c. per bushel, while in Halifax, N.S., the average was somewhat lower. If the price in 1876 was in any way near the rate of 1874, Produce-merchants in the Maritime Provinces can have no difficulty in seeing that there must have been a very handsome margin to compensate for the enterprise of the United States merchants [who purchased heavily in St. John and Halifax] in arranging the details of sending one kind of Dominion produce to market."

It would be easy to multiply examples, but that seems to be unnecessary. In closing this TRADE LETTER, I have only to request *active* concurrence in the following

CONCLUSIONS.

1. The magnitude and general character of the trade with Brazil, as well as with the West Indies, present ample inducements for increased enterprise on the part of Canadian merchants.

2. Tropical and South American countries on the one hand, and the Dominion of Canada on the other, naturally and mutually afford the best and cheapest markets in which the merchants of the respective countries can make purchases.

3. The geographical position of Canada is more favorable for direct trade with the West Indies and South America than is generally supposed.

4. The Dominion Government has removed some of the obstacles to an immediate enlargement of the commercial relations with Brazil and the West Indies, by modifying fiscal charges, and by providing for direct steamship communication.

5. To make the magnificent and inviting commerce of the Tropics and South America available, Canadian merchants should, for themselves, carefully examine and embrace the opportunities that seem to offer for the extension of trade relations.

6. The energetic prosecution of the trade which has been under consideration, would be of untold advantage to the several Maritime Provinces of the Dominion, in developing for them an immense winter traffic.

7. The question of trade with the West Indies and South America promises substantial results ; and it ought, therefore, to command the cordial efforts of every business man to aid in building up the INDUSTRIAL AND COMMERCIAL FUTURE OF THE DOMINION OF CANADA.

I have the honor to be,

GENTLEMEN,

Your obedient servant,

WM. J. PATTERSON,

Secretary.

MONTREAL, 29th November, 1880.

CANADIAN TRADE

WITH THE

BRITISH AND FOREIGN WEST INDIES.

INTRODUCTORY MEMORANDUM.

RICHARD GILLARD, Esq., Collector of Customs at Kingston, Jamaica, has very recently been spending a few weeks in Canada; and he has kindly furnished a short Memoranda, as to some of his experience and observation, in a number of the cities visited by him. While his remarks relate primarily to Jamaica, on account of the lately established steamship line between Halifax, Bermuda and Kingston,—they might be considered as equally applicable to the islands of Antigua, St. Vincent, Grenada, Barbadoes, Trinidad, and Demarara, were there regular communication between them and Canada.

Mr. Gillard's statements about Flour, Butter, Fish, Paraffine, Light Tweeds, Boots and Shoes, &c., are well worth considering. He says:—

A noticeable feature during the past year is the establishment by Messrs. Cunard & Co. of a line of steamers which ply monthly between Halifax and Kingston, Jamaica. The trip is made in between 7 and 9 days, which includes the stopping for a few hours at Bermuda, both in going and returning. Owing to the opening up of this direct route, quite a new trade has been entered upon; for, besides the large quantities of Fish Stuffs, which have ever been a feature of traffic between Nova Scotia and Jamaica, that island now takes quantities of Vegetables and Fruit from Halifax, such as Potatoes and Apples, whilst she is, by this quick communication, enabled to export Oranges, Pines and Bananas for the Canadian market.

It may be expected that this direct steamship communication will give a great impetus to the development of commercial intercourse between the Dominion and Jamaica; because whilst, on the one hand, Canadian merchants will find a ready market for their Fish, Lumber, Cheese, Tinned Butter, Paraffine Oil, Vegetables, and some of their manufactures, such as light Tweeds, Flannels, Cottons, and Boots and Shoes,—Jamaica will be enabled to increase her exports to this part of the world in Sugar, Rum, Coffee, Fruits and Cigars, the latter of which vie with some of the choice Havanah Brands.

The writer of this memorandum has been struck with the fact that, whilst Jamaica is dependent for her supply of Flour from Foreign markets, yet that very little is imported from Canada, the entire receipts being almost exclusively received from the United States. Surely one of the finest cereal countries in the world can supply, and ought to supply her Sister Colonies with good Wheaten Flour, at a price which should at any rate compete on even, if not more favorable terms, with her rival the United States.

Again, in manufactured articles, such as Tweeds, Cottons and Flannels, the writer has been astonished at the fact that the Canadian factories turn out goods fit for the West India markets, equal in quality and finish to those of Scotland and England; whilst in price the Canadian goods compare favorably with them. Surely therefore the small trade which has already commenced, should be nurtured until it grows into a steadily increasing prosperity.

Carriages too should form an article of export from the Dominion. The kind suitable for the Jamaica market is a light four-wheeled buggy, somewhat similar to the light waggon used in Canada, but with a good hood as a protection from sun and rain, and a small seat behind. This description of carriage is largely imported from New York. In workmanship, durability and price the Canadian manufacturer can compete with his American rivals; and with a careful regard to the use of only good materials, can beat them out of the field.

Again, as a health-giving resort for invalids who are unable to bear the intense Canadian Winter, Jamaica offers a climate without a rival; for within three hours' ride of Kingston there can be found in the mountains a temperature of 70°, when in the plains it is 90° to 97°. The best time for a stranger to visit Jamaica is between the months of October and June, when he will find a perpetual Summer, with luxurious tropical scenery, with a temperature which may be varied by a change of locality according to fancy. On the other hand, the European resident in Jamaica can find in Canada dry, cold, invigorating and life-giving atmosphere, which is a sure restorative for the enervating influences of a prolonged stay in the Tropics.

The writer can speak with confidence on this head; because after a number of years' sojourn in Jamaica, he was this year for upwards of five months under the hands of the Doctors. When he left Kingston on the 8th of October he

could only walk with difficulty a short distance. Scarcely any improvement was experienced until after the steamer left Bermuda; but the pure Nova Scotia air did wonders, strength returned with an almost electric rapidity, and with it came back wonted health and strength.

For corroboration of his statements, Mr. Gillard has referred to Mr. J. M. C. DelesDerniers, who has been an observant traveller in nearly all the British West India Islands, and who is well known to many wholesale merchants in Canada.



SOME PARTICULARS OF WEST INDIA TRADE.

So much space has been apportioned in preceding pages to the important subject of trade with Brazil, that, for the present, some interesting particulars about several of the British West India Islands must be reserved,—with this remark, that, while Canada, its resources and trade are favorably known in a few of them, the people of many others may be said to be scarcely aware that the fellow subjects of Her Most Gracious Majesty control nearly one half of North America! A statement to this effect was made very recently to the writer, as having been the experience of a merchant just returned from a West India tour. If this is really the case it may be expedient for the Government to make the experiment of appointing one or two commercial Agents for the West Indies and South America. There is also an important question,—What can be done towards promoting direct trade with the Spanish West Indies?

The subjoined table affords a summary view of the annual values of Canadian import and export trade with the British and Foreign West Indies and South America, during seven fiscal years ended on 30th June, 1879, as deduced from the official statements of the Department of Customs, at Ottawa :—

	British West Indies.	Spanish. West Indies.	French West Indies.	Other West Indies Islands.	South America.	TOTAL.
	\$	\$	\$	\$	\$	\$
1873—Imports..	964,005	1,143,241	43,412	24,274	416,199	2,591,131
Exports..	1,969,543	1,624,191	299,809	94,950	1,285,434	5,273,927
1874—Imports..	919,517	1,340,235	30,502	17,479	473,530	2,781,263
Exports..	1,997,078	1,255,121	380,609	145,988	1,212,978	4,991,774
1875—Imports..	1,023,148	1,116,440	46,592	8,224	278,796	2,473,200
Exports..	2,283,973	1,042,001	371,477	248,055	785,797	4,731,303
1876—Imports..	868,846	631,150	47,158	68,969	287,553	1,903,666
Exports..	2,148,491	1,146,129	292,995	87,705	688,209	4,363,529
1877—Imports..	640,716	563,451	25,022	13,620	4,971	1,247,780
Exports..	2,194,649	1,284,375	160,212	149,622	651,625	4,440,483
1878—Imports..	578,405	417,178	21,686	16,580	15,447	1,049,296
Exports..	1,950,144	1,089,807	246,738	127,658	654,357	4,068,504
1879—Imports..	650,087	575,969	18,008	8,365	4,388	1,256,817
Exports..	1,955,584	1,237,598	219,121	88,367	741,442	4,242,112
Total for 7 years.	20,144,186	14,466,876	2,203,341	1,099,656	7,500,726	45,414,785

The details of the fiscal year 1879 are as follows:—

IMPORTS.		EXPORTS.	
	About		About
Cigars	\$82,000	Coal	\$40,000
Cocoa	6,000	Fish	3,000,000
Coffee	21,000	Flour	8,000
Hides and Skins.	24,000	Fruit	3,500
Molasses, &c.	527,000	Grain	30,000
Packages	5,000	Hay	6,000
Rum	29,000	Hardware, Iron, &c.	2,500
Salt	48,000	Horses	6,000
Spices	2,500	Leather, mfctd. and otherwise..	44,000
Sugar	497,000	Liquors, Beer, Spirits, &c.	20,000
Tobacco	2,000	Meats	11,000
Various	13,317	Potatoes and other Vegetables .	80,000
		Sewing Machines.....	35,000
		Ships, &c.....	36,000
		Tea	2,300
		Timber, mfctd. and otherwise..	900,000
		Tobacco	3,000
		Woollens.....	8,000
		Various	6,812
	<u>\$1,256,817</u>		<u>\$4,242,112</u>

The figures in the foregoing table show that the average annual value of all Canadian direct trade with tropical countries during seven years was only \$6,772,540, or less by \$186,071 (2·67 per cent.) than for five years ended June 30th, 1877. It has not been considered necessary to analyze the business of more than one year,—that sufficing to show the kinds of articles exchanged

and its comparative smallness, in contrast with what it is contended it might be, considering the large quantities of Canadian merchandise understood to be constantly sent thither through United States ports.

The figures for the last fiscal year mentioned in the table do not, of course, show a marked difference in regard to the trade between Canada and the West Indies, the tariff of 1879 having only been in operation for a small part of the time. By referring to a table on p. 27, showing the importations of sugar from all countries, in half calendar years, from 1872 to 1879 inclusive, it will be seen that the direct imports from the West Indies during the last half of 1879 amounted to 37,800,000 lbs. against 4,728,000 lbs. in the corresponding period of 1878, the increase being 33,072,000, or a difference of 699·49 per cent. When the returns for the current fiscal year are made up, there can be no doubt as to what the showing will be in the direction of increasing commercial relations.

CONSUMPTION OF BREADSTUFFS, PROVISIONS, &C., IN THE BRITISH WEST INDIES.

The table on p. 26 is given to show the quantities of certain staple articles imported each year during a decade into four of the British West India Possessions, almost entirely from the United States.

As regards WHEAT FLOUR, the average quantity imported into *all* the Br. W. I. Possessions amounts to more than 380,000 brls. per annum. The average annual importation of Flour into Barbadoes is 96,500 brls.;—into Trinidad, 42,400 brls.;—into British Guiana, 89,000 brls.; and into Jamaica, 73,250 brls.,—nearly all from the U. S.

	Corn Meal and Linseed Meal.	Butter.	Salted Meats.	Fish Dried & Wet.	Lumber.
	Bris.	Lbs.	Lbs.	Quintals.	Feet.
Barbadoes... 1864	70,180	861,011	2,704,582	100,993	5,459,376
1865	71,189	894,066	2,741,965	102,103	5,469,906
1866	75,499	826,150	2,667,000	83,543	5,198,000
1867	81,345	854,492	2,752,358	84,229	5,546,856
1868	81,328	845,476	2,277,294	116,209	7,539,322
1869	72,190	639,477	2,190,903	87,673	6,680,382
1870	45,111	617,215	2,009,990	75,573	6,978,499
1871	66,678	806,287	2,951,557	87,002	6,621,318
1872	84,224	562,212	2,825,430	99,170	6,391,767
1873	69,735	597,977	3,444,826	83,901	9,048,693
Trinidad 1864	.....	.....	1,998,537	43,140	5,011,163
1865	.....	.....	1,127,493	41,528	4,536,055
1866	.....	.....	1,165,924	42,144	7,309,021
1867	.....	.....	1,017,130	47,726	4,731,607
1868	.....	.....	1,116,302	46,754	6,565,522
1869	.....	.....	1,019,271	41,649	7,219,839
1870	.....	.....	1,026,476	42,780	6,121,579
1871	.....	.....	1,115,466	41,686	8,050,904
1872	.....	.....	1,363,485	41,638	7,716,303
1873	.....	.....	1,529,205	30,444	8,589,173
			Pork—Brls.		
Bri. Guiana . 1864	.....	610,506	13,287	69,845	11,118,410
1865	.....	543,054	11,565	70,212	9,402,256
1866	.....	651,105	12,963	77,387	12,126,302
1867	.....	625,513	12,141	70,929	9,503,190
1868	.....	458,871	11,151	82,026	10,785,120
1869	.....	552,168	10,218	76,208	11,900,320
1870	.....	491,618	11,915	77,242	13,641,555
1871	.....	614,547	14,925	72,846	12,310,456
1872	.....	754,068	12,631	92,741	14,821,814
1873	.....	465,543	12,862	87,462	14,604,001
Jamaica 1864	17,827	526,512	.....	177,289	.....
1865	8,202	452,816	.....	137,210	.....
1866	8,021	546,448	.....	155,935	.....
1867	6,945	346,416	3,037	156,290	.....
1868	6,317	341,712	7,090	178,581	.....
1869	11,515	396,368	4,664	175,697	.....
1870	9,575	361,200	4,115	164,080	.....
1871	6,715	435,344	5,040	187,180	.....
1872	12,528	524,944	6,994	229,431	.....
1873	18,393	547,008	7,687	204,717	.....

Entered for
consumption.

QUANTITY OF SUGAR IMPORTED INTO THE DOMINION DURING EIGHT YEARS BY PERIODS OF SIX MONTHS.

DURING SIX MONTHS ENDING 30TH JUNE.

WHENCE IMPORTED.	1872.	1873.	1874.	1875.	1876.	1877.	1878.	1879.
	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.	lbs.
Great Britain.....	9,723,266	8,725,077	13,499,939	7,853,602	21,812,688	15,906,790	23,950,421	7,201,154
Belgium.....	.....	.....	.....	.....	.....	.....	.....	.....
Holland.....	.....	114,605	.....	.....	.....	.....	.....	.....
Germany.....	15,680	.....	.....	.....	.....	.....	.....	.....
Newfoundland.....	.....	.....	.....	.....	.....	.....	1,293	2,174
United States.....	11,837,102	17,829,056	10,572,462	16,410,926	17,646,059	16,021,643	16,451,669	30,060,519
West Indies.....	23,841,953	19,583,900	14,814,690	12,993,386	4,699,564	6,410,650	6,254,892	16,639,122
Brazil.....	729,450	5,536,260	4,581,556	5,148,997	.....	.....	.....	.....
Dutch East Indies.....	.....	.....	.....	475	118,059	.....	.....	.....
Sandwich Islands.....	846,031	524,803	1,015,563	363,546	759,960	12,561	.....	.....
Other Countries.....	.....	.....	.....	24,774	28,718	129,145	52,574	5,927
Totals.....	46,993,482	52,313,701	44,484,210	42,795,707	45,065,148	38,480,789	46,710,849	53,908,896

DURING SIX MONTHS ENDING 31ST DECEMBER.

Great Britain.....	14,334,854	14,307,788	25,141,714	15,846,554	34,925,471	29,300,979	18,414,697	8,946,848
Belgium.....	3,428,016	.....	.....	.....	.....	.....	.....	.....
Holland.....	131,852	31,119	23,260	9,811	8,276	.....	.....	.....
Germany.....	3,970,001	.....	.....	.....	.....	.....	.....	.....
Newfoundland.....	812,612	1,735,554	333,064	225	133,048	2,037	564	207
United States.....	11,788,550	24,989,622	13,282,758	22,240,067	18,885,525	32,769,344	42,836,461	6,292,911
West Indies.....	14,582,890	12,446,651	20,888,482	16,114,741	8,062,867	5,768,102	5,031,720	42,475,962
Brazil.....	5,622,247	2,990,186	5,866,727	8,338,957	.....	.....	.....	3,353,536
Dutch East Indies.....	.....	.....	.....	1,680,489	.....	.....	.....	3,848,232
Sandwich Islands.....	587,476	752,495	118,772	132,785	214,908	2,750	.....	.....
Other Countries.....	866	694	84,610	22	29,623	477,381	45,354	1,430,323
Totals.....	55,269,364	57,254,109	65,739,387	64,363,651	62,259,718	68,320,593	66,328,796	66,348,019



